

**CALENDAR ITEM
C01**

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12/18/15

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PRC 4053.1
M.J. Columbus

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

McKinney Shores Property Owners Association

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to Assessor's Parcel Numbers 097-191-001, 098-021-001, and 098-041-006, near Homewood, Placer County.

AUTHORIZED USE:

Continued use and maintenance of two existing piers, 66 mooring buoys, and a swim float.

LEASE TERM:

10 years, beginning November 22, 2008.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease, and recommends that rent be revised from \$1,958 per year to \$2,519 per year, effective November 22, 2015.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Site and Location Map in Section 3 with the attached Exhibit B, Site and Location Map; and add Exhibit A, Land Description (for reference purposes only). Revise the rent based on the updated lease area and new Lake Tahoe Benchmark (Benchmark). All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee owns the upland adjoining the lease premises.
2. On December 17, 2009, the Commission authorized a General Lease – Recreational Use to McKinney Shores Property Owners Association,

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beginning November 22, 2008, for two existing piers, 66 mooring buoys, and a swim float. The lease will expire on November 21, 2018.

3. Staff conducted the rent review called for in the lease and recommends the rent increase. In 2008 when the lease was issued, Public Resources Code section 6503.5 exempted private recreational piers and mooring buoys from rent when operated by associations consisting of natural persons who own single-family dwellings on the littoral, or upland, property. The Lessee is a property owners association (POA) consisting of 99 member lots. Six percent of the member lots did not qualify for rent-free status when the lease was issued. The rent was prorated accordingly. Upon review of current member lot ownership, eight percent do not qualify for rent-free status. Rent on the swim float is not prorated because swim floats did not qualify for rent-free status under former Public Resources Code section 6503.5.
4. Staff recommends the rent be revised to \$2,519 per year from \$1,958 per year based on changes to the impact area surrounding the piers, application of the updated Benchmark, and the adjustment in the proration of rent due to the change in the composition of the POA membership. Staff recommends the lease be amended to replace the existing Site and Location Map in Section 3 with the attached Exhibit B, Site and Location Map; and add Exhibit A, Land Description.
5. Approving the revision of rent is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378, subdivision (b)(5).

6. The staff recommends that the Commission find that the lease amendment is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities, California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA

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review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the lease amendment is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

1. Authorize the amendment of Lease No. PRC 4053.1, a General Lease – Recreational Use, effective November 22, 2015, to replace the existing Site and Location Map in Section 3 with the attached Exhibit B, Site and Location Map (for reference purposes only); and add Exhibit A, Land Description, all other terms and conditions of the lease will remain in effect without amendment.
2. Approve the revision of rent for Lease No. PRC 4053.1 from \$1,958 per year to \$2,519 per year, effective November 22, 2015.

EXHIBIT A

PRC 4053.1

LAND DESCRIPTION

Sixty nine parcels of submerged lands situated in the bed of Lake Tahoe, lying adjacent to fractional Section 7, Township 14 North, Range 17 East, and fractional Section 12, Township 14 North, Range 16 East M.D.B.&M., as shown on Official Government Township Plats approved January 17, 1866, County of Placer, State of California, more particularly described as follows:

PARCEL 1 – PIER (WEST PIER)

All those lands underlying an existing pier and catwalks lying adjacent to Lots A, B, and C described in Grant Deed as shown on the map entitled "McKinney Shores", filed in Official Records of said County on June 26, 1961 in Book G of Maps, page 25.

TOGETHER WITH any applicable Impact Area(s).

EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

PARCEL 2 – PIER (EAST PIER)

All those lands underlying an existing pier and catwalks lying adjacent to Lots A, B, and C described in Grant Deed as shown on the map entitled "McKinney Shores", filed in Official Records of said County on June 26, 1961 in Book G of Maps, page 25.

TOGETHER WITH any applicable Impact Area(s).

EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

PARCEL 3 – SWIM FLOAT 1

All those lands underlying an existing swim float lying adjacent to Lots A, B, and C described in Grant Deed as shown on the map entitled "McKinney Shores", filed in Official Records of said County on June 26, 1961 in Book G of Maps, page 25.

PARCELS 4 through 69 – BUOYS

Fifty six circular parcels of land, each being 50 feet in diameter, underlying fifty six existing buoys lying adjacent Lots A, B, and C described in Grant Deed as shown on the map entitled "McKinney Shores", filed in Official Records of said County on June 26, 1961 in Book G of Maps, page 25.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared 09/07/2015 by the California State Lands Commission Boundary Unit.



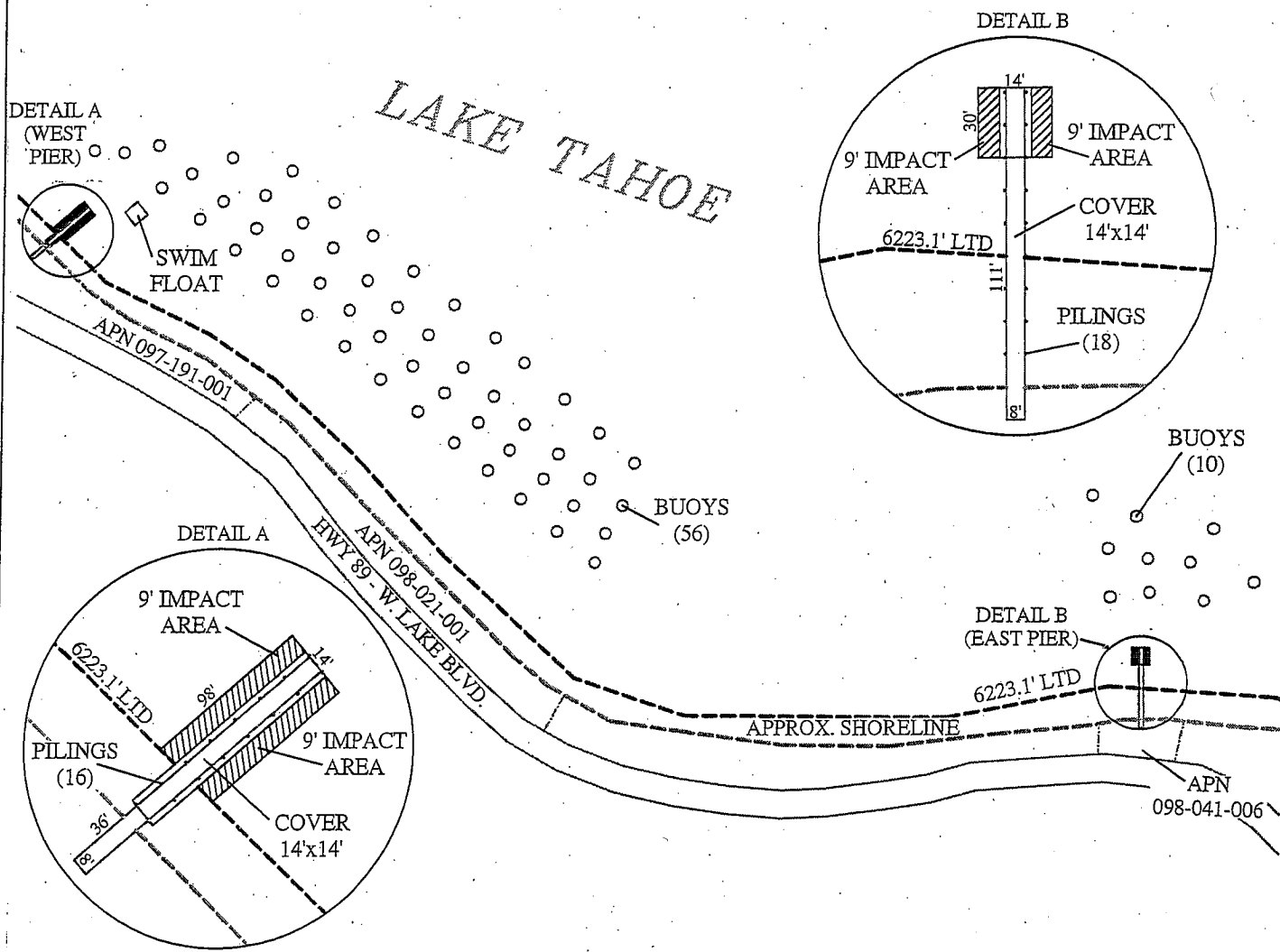


EXHIBIT A

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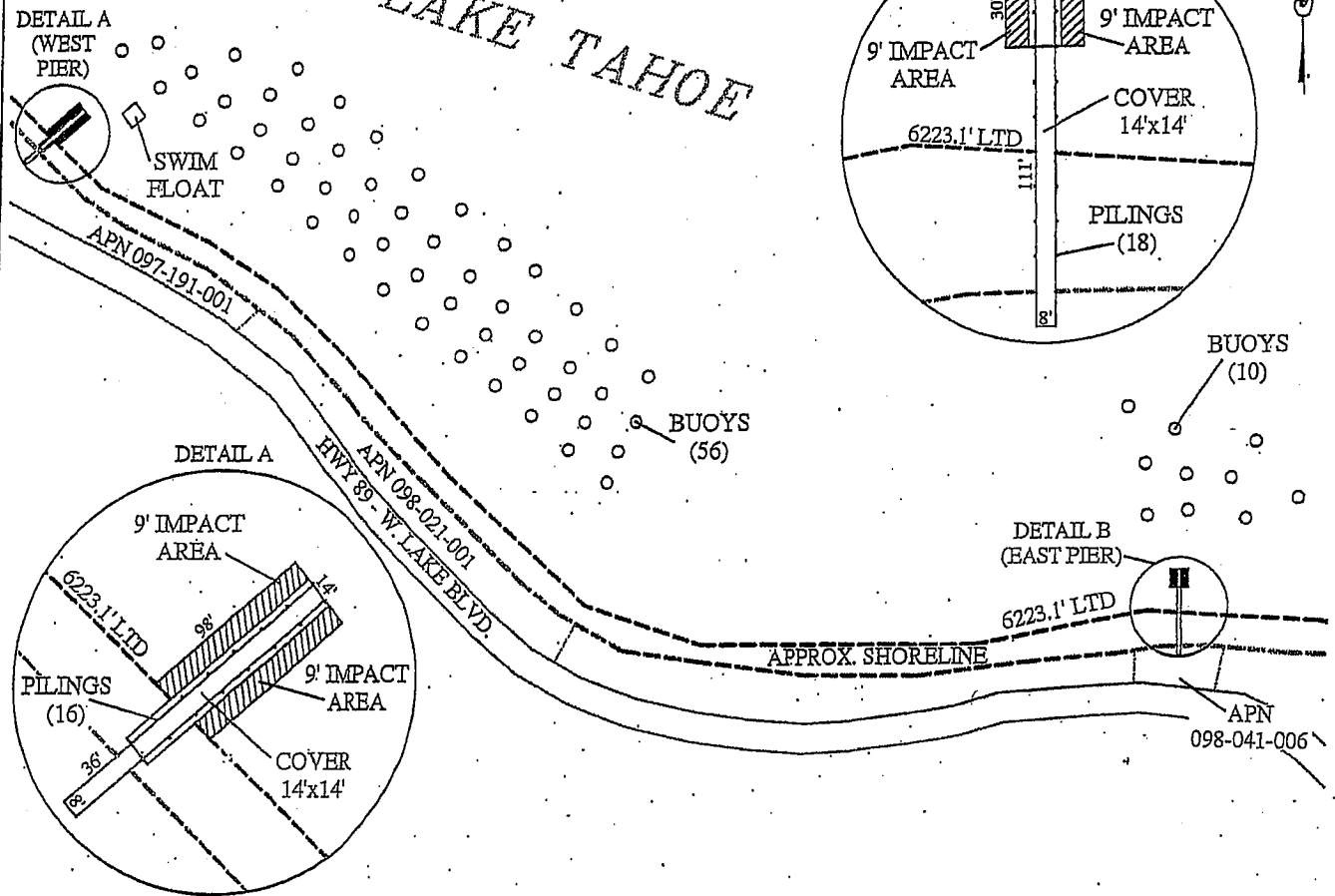
LAND DESCRIPTION PLAT
PRC 4053.1, MCKINNEY SHORES
PLACER COUNTY

CALIFORNIA STATE
LANDS COMMISSION



NO SCALE

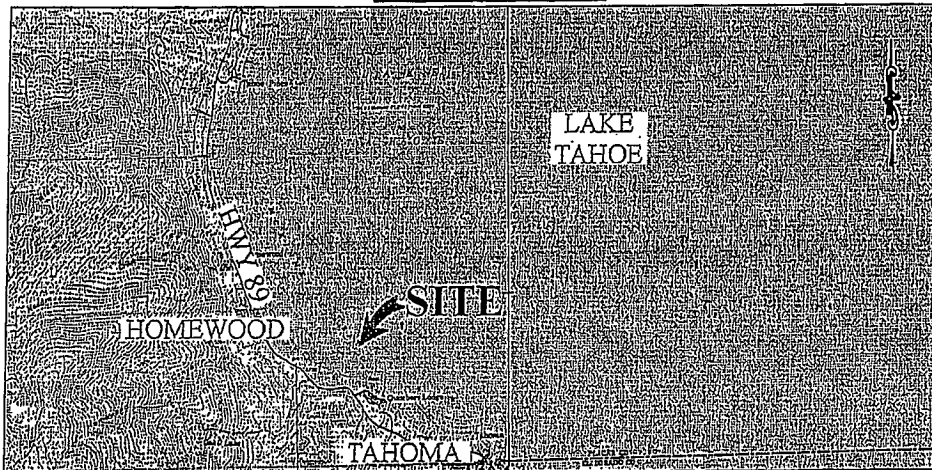
SITE



5200 & 6271 WEST LAKE BLVD., HOMEWOOD

NO SCALE

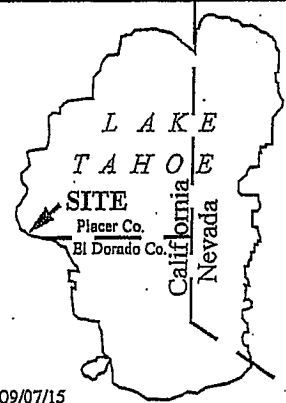
LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

~ PRC 4053.1
MCKINNEY SHORES
APN 097-191-001 &
098-041-006 &
098-021-001
GENERAL LEASE-
RECREATIONAL USE
PLACER COUNTY



RGB 09/07/15

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.